

February 6, 1974

interprets that the ayes have it. If there are any objections to that we'll take a machine vote. The motion is that the amendments be adopted.

CLERK: Mr. President, there is another amendment offered by Senator Cavanaugh. (Amendment read, page 523 in Journal.)

SPEAKER PROUD: Senator Cavanaugh.

SENATOR CAVANAUGH: Mr. President, and members of the Legislature. Under terms of Senator Carpenter's bill was originally introduced, he would have struck adjusted gross income as the criteria for economic eligibility for the Homestead Exemption and inserted taxable income. Now Senator Carpenter rethought that because of the consequences of changing that criteria from adjusted gross to taxable and the effect of that change would have been to make a great number of people eligible for the exemption who probably had or who would probably have rather substantial financial resources in that there are large numbers of elderly and retired, or at least a substantial number of elderly and retired, who have a good deal of income from non-taxable sources. And great numbers of people when they reach retirement are take good portions of their investment and put them in non-taxable sources of generating revenue. So that we would be in a situation by adopting that original amendment of expanding this exemption beyond probably what it's real intent is, which is to give property tax relief to elderly of low income in order that they might retain their residences. What this amendment does is, since Senator Carpenter's Amendment would return to adjusted gross, it's my feeling and I've discussed this with Senator Carpenter that it would still be wise for us to increase the income levels. Now that's what my amendment would do. To increase the income eligibility level for a single individual from 20...\$2,800 to \$3,200 of a couple with one member over 65 from \$3,500 to \$3,800 and for a joint couple over 65 from \$4,300 to \$4,800. It's not a large increase, but I think it retains the spirit of the Homestead Exemption while expanding it somewhat to include people who are still in a low income category. That's what the amendment would do and I urge the adoption of the amendment.

SENATOR WHITNEY: Any discussion of the amendment? Senator Carpenter.

SENATOR CARPENTER: Well Mr. President, I have no objections to Senator Cavanaugh's amendment, and I'll vote for it, but I hope that those who do vote for it will not let that adventure be the reason not to vote the bill in amended form in either case or any case. And what he offers to you is a matter of individual judgment and discretion. And I would hope that if you vote to adopt this amendment, which I am going to vote for, you would then would follow through and vote for the bill when it gets on Final Reading if it does.

SENATOR WHITNEY: The Chair recognizes Senator Duis.

SENATOR DUIS: Mr. President, Senator Cavanaugh, I wonder if I might have a question answered by you?

SENATOR WHITNEY: Senator Cavanaugh, will you yield?